



Staff Report

TO: Honorable Mayor and Members of the City Council
FROM: Kari Mendoza, Interim Deputy City Manager
BY: Darron Usher, Principal Management Analyst
DATE: February 17, 2026
SUBJECT: Agreement Approval for HDL Business License Software

Description: Staff is requesting City Council approval of an agreement with Hinderliter de Llamas & Associates (HdL) for continued use of the City's business license software, hosting, support, payment processing, and related compliance services.

Background and Analysis:

The City of Beaumont utilizes HdL's Business License software platform to administer business licensing activities, including registration, renewals, compliance monitoring, reporting, and online payment processing. HdL has provided business license software and related support services to the City for many years and currently hosts the City's system through its secure cloud-based platform.

The proposed agreement formalizes continued access to HdL's Business License software and includes the following core services:

- **Software Hosting and Maintenance:** Secure cloud hosting, system upgrades, data management, and disaster recovery.
- **User Access and Support:** Licensing for up to four (4) users, with technical support available during standard business hours and emergency support after hours.
- **Online Payment Processing:** PCI-compliant credit card and eCheck payment functionality for business license transactions.
- **Reporting and System Enhancements:** Ongoing system updates, report modifications, and software upgrades as part of the annual software use fee.

In addition to software services, the agreement allows the City to utilize HdL's business license discovery, compliance, collection, and audit services on an as-needed basis. These services are designed to assist the City in identifying unlicensed or non-compliant businesses, collecting outstanding business license fees, and ensuring

accurate reporting. Any compliance-related services are compensated through contingency-based fees only when revenue is recovered, as outlined in the agreement.

The agreement term is for three (3) years, with two (2) optional one-year renewals, subject to City Council approval. The annual software use fee is \$9,500, inclusive of hosting, support, and four licensed users, with limited annual CPI-based adjustments as defined in the agreement.

It is important to note that previous City Council items involving HdL addressed sales tax and property tax services provided by HdL and its affiliate companies. This action is limited exclusively to business license software and related services and does not include sales tax, property tax, or revenue recovery services outside of the business license program.

Fiscal Impact:

The estimated cost of preparing this staff report is \$300.

The annual cost for the Business License software is \$9,500, plus applicable payment processing fees that are largely taxpayer-funded at the time of transaction. The total cost of this agreement over three (3) years is \$28,500, which will be included during the budget process. Compliance services, if utilized, are contingency-based and paid only from revenues recovered.

Recommended Action:

Approve the agreement with Hinderliter de Llamas & Associates for Business License software and related services and authorize the City Manager or their designee to execute the agreement in an amount not to exceed \$9,500 annually, subject to CPI adjustments as outlined in the agreement for a total of \$28,500.

Attachments:

- A. PSA with HDL
- B. Single Source Form